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THE WHITE HOUSE  
WASHINGTON

August 30, 1978

C

Mr. President:

I have been informed of two requests you made at the last Foreign Policy Breakfast in regard to the Summit.

I. Marine Exercise

We are prepared to transport the Marines and their band, if you wish to have music, to Camp David for a shortened version (30 minutes) of the drill you saw at the Marine Barracks. I suggest Thursday, September 7, at approximately 7:00 p.m. for this.

Maybe  
45 minutes?

8:30

☒ Approve September 7      ☒ Approve Band

II. Air Show

General Jones recommends the Blue Angels. They are already committed on September 8 and 9. The demonstration is 5-8 minutes in length, so it could be done in conjunction with the Marine exercise on September 7.

Unlike the Marine drill, this show will be visible by the public and press. I question whether this would be appropriate for a peace conference. Hamilton and Jody agree with this.

☐ Approve air show with Marine drill

☒ Disapprove air show

Phil



the christian CENTURY

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AUG. 30-SEPT. 6, 1978



## The Carter Urban Policy and the Churches' Mandate

Keith D. Martin



## Working in Modern Time

E. S. Perry

## In Retrospect: 'After Auschwitz'

Richard Rubenstein

Pope Paul's Pilgrimage

Latin America's Refugees

Korean Workers' Plight

# The Carter Urban Policy and the Churches' Mandate

Whether the future holds an effective and just national urban policy will depend on the steadfastness of those who 'seek the welfare of the city.'

KEITH D. MARTIN

✦ PRESIDENT CARTER early this spring announced his long-promised urban policy. For the first time, an American president had attempted to develop a comprehensive and coherent national policy for cities. Since that date — March 27 — the White House, in a leisurely and somewhat unenthusiastic manner, has forwarded the legislative pieces of the policy to Capitol Hill, where hostility and skepticism have already surfaced, as have opportunities for prophetic witness.

Though it may come as news to much of the religious community that urban policy has been on the administration's agenda, the churches should have an intense interest in what our government proposes to do for the cities. Christians are, after all, heirs to the biblical mandate given by Jeremiah to "seek the welfare of the city . . . for in its welfare you will find your welfare." That the mainline Protestant churches have not followed this mandate should be painfully obvious. Church resources and energies have simply not been directed toward the city.

We need not belabor the statistics pointing up the flight of middle-class white churches to the suburbs. Yet even those congregations remaining in our urban centers are, with some notable exceptions, more often concerned with protecting their own real estate and endowments than with risking a commitment to the city. Thus, seminary courses and denominational conferences on "urban ministry" tend to focus not on reaching out to "the least of these" but on strategizing for institutional maintenance. If Nero fiddled while Rome burned, then our present-day churches ponder the effectiveness of their boards of trustees while our society creates a permanent urban underclass.

What makes these perennial sins of immediate concern is that we now have before us the Carter administration's efforts, through its stated national urban policy, to "seek the welfare of the city." The churches now have an opportunity to redeem themselves and to become actively engaged in a meaningful commitment to the city at a level where billions of dollars are at stake. In order to do this,

church people need to understand the new urban policy, evaluate it in terms of biblical norms of economic and social justice, and then act on these norms.

## *An Open Process*

Although the seeds of Carter's urban policy were sown during the presidential campaign in an effort to win the support of blacks and other traditional urban Democratic voters, the official process began on March 21, 1977, when the president issued an executive order establishing the Urban and Regional Policy Group (with the unfortunate acronym URPG). Under the leadership of Patricia Harris, secretary of Housing and Urban Development, the group consisted of representatives from six federal departments — HUD, Labor, Treasury, HEW, Transportation and Commerce. In addition, other departments with domestic interests participated, as did the Office of Management and Budget (OMB) and the White House domestic policy staff. The group was given a mandate to analyze the problems of America's cities, to examine relevant current public and private policies, and to propose a comprehensive policy for urban America.

The members of URPG were rather proud of the process they developed and followed, calling it "a public event" in which "more than 10,000 Americans" participated through hearings and meetings held throughout the country. There appears no reason to doubt this claim. For whatever fault government-watchers have found with the process, it has generally not been with the openness and seriousness with which URPG went about its business.

The fact that a substantial amount of time and effort was spent on developing, for the first time in our nation's history, a national urban policy is reason for rejoicing. The federal bureaucracy, state and local governmental units, the private sector, and the general public took part in a consciousness-raising exercise which can only serve to benefit cities in the future. This is not to say that universal agreement was reached by the parties involved, or that turf-protecting and empire-building were eliminated. But at least for once there was a systematic effort to "think urban" — to look at federal actions

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in terms of what they have meant and can mean to cities. As a result there are now many more people in high places who will not be able to ignore the urban impact of what they do.

### *A Question of Commitment*

But certain questions and doubts arise when we look at the process. Specifically, how committed is the White House to an effective implementation of the urban policy, and to what extent is this country willing to direct its resources to the poorest and neediest among us?

As to the issue of White House commitment, citizens are, naturally enough, somewhat skeptical of promises made during a presidential campaign. Although candidate Carter made much of urban policy, it took some prodding by black leaders before, in March 1977, he implemented even a study process. And then the Urban and Regional Policy Group existed in name only for several months. Again, it was the black community which applied the pressure. In August 1977, Vernon Jordan, the National Urban League's executive director, publicly criticized the president for his lack of urgency in formulating an urban policy, and at a meeting of black leaders in New York city strategies were devised for pressing Carter into action. The looting during New York's July blackout also helped to point up the need to move urban programs up a notch or two on the priority list.

These summer events had the effect of pushing URPG into serious activity, but the role of the White House in the overall process is still open to question. Toward the end of 1977, when there was general agreement that the trouble with Carter's first year in office was that he had tried to do too much, lists of priorities for the second year began to appear. Such items as energy policy and tax reform were put forward as priorities; urban policy was not. The URPG process itself did not include substantial and high-level White House or OMB involvement until very late in the game. The first draft of the group's report, issued in late October, was met with something less than total enthusiasm at the White House, at least in part because of lack of input from Stuart Eizenstat and his domestic policy staff. The end result was an 11-page memorandum to the president negotiated by Secretary Harris and Mr. Eizenstat, extracting broad principles from the more than 100-page URPG report but omitting references to specific programs.

Finally, there was the 13-page confidential memo sent to the president on March 21 of this year by Eizenstat and OMB director James McIntyre. In it, Carter is advised to announce publicly a position on what agency will run a key urban-policy program, the national development bank, and then to work quietly for a different solution as part of his general reorganization plan. This approach was designed to

placate blacks and big-city mayors, who wanted the bank in HUD, while leaving the door open for it to be run by a more business-oriented department. Though Eizenstat and McIntyre favored putting it in Commerce, they advised a joint administration by Commerce, Treasury and HUD because "placing the bank in Commerce would be a visible defeat for Secretary Harris, your leading urban expert and the only minority member of your cabinet."

The memo also offers a rather pessimistic assessment of the chances for passage in Congress of the legislation to create the bank. In fact, such legislation was not forwarded to Congress until June 20, nearly three months after the urban policy was announced, and there appears to be no possibility of its being enacted this year. The idea of a development bank is not new and has been kicking around for years under the heading of an urban bank, or "Urbank." With the revelations of this memo, one wonders whether those who cynically referred to the concept as "beautiful downtown Urbank" were not right on the mark.

### *Those in Greatest Need*

The second major question about the process revolves around the willingness of our elected leadership and the general public to target funds to those who need them most. The flawed first draft of the URPG report was thrown together rather hastily; parts of it resembled a laundry list of familiar programs, so much so that some dubbed the document "Son of Great Society." Yet this initial report did evidence a serious attempt to channel funds to



those people and places of greatest need. Between the title of the first draft, "Toward Cities and People in Distress," and that of URPG's final report, "A New Partnership to Conserve America's Communities," lies a five-month process in which the kitchen-sink approach to public policy-making — or, as one commentator labeled it, a "dollar in every pot" — emerged triumphant.

In December, when some of the most ferocious infighting broke out with regard to the allocation of what would be very limited funds, Secretary Harris called for the resources to be reserved for those cities where "it is a matter of life and death." She added that "we can't just throw the money up for grabs" but must direct it to cities whose needs are critical as opposed to those for which "it would be a convenience." Yet despite numerous administration claims that the urban policy continues to be targeted to the areas of greatest need, convenience has become a major criterion of eligibility. As a matter of fact, the compromise memo sent to the president by Harris and Stuart Eizenstat dropped an original objective of "helping to reduce fiscal and social disparities between cities and their suburban neighbors." Moreover, it moved the policy in the direction of becoming a mile wide and an inch deep by adding "urban areas" to "cities" as potential recipients of the limited funds to be available.

The case can be made, of course — and in fact has been made — that the final product is merely a recognition of political reality. If we want an urban policy, we are going to have to spread the goodies around. Though this may be true, it is a disturbing admission nonetheless — and for two reasons. First, the bold leadership necessary to create an effective and just urban policy has been less than evident. The administration cannot have it both ways: it cannot put forward a small financial package, insisting that resources are limited and that a balanced budget is the goal, and then sprinkle these meager resources in every direction. Somewhere a choice must be made. A modest program which tries to help everyone helps no one. On the other hand, if it is necessary to give everyone something in order to reach the poorest of the poor, then let us come up with the resources appropriate to the task.

A second reason for distress about the political necessity to spread the goodies around relates to the lack of serious commitment to urban ministry on the part of the churches. Those special-interest groups with the most votes, the biggest bucks and the best organizations usually get what they want. Why weren't the churches active in the "public event" when the urban policy was being drafted? Why weren't they fighting for their special interest: the prophetic imperative for economic and social justice, the special concern of God for "the least of these"? Of all the groups that met with the administration, making up the "10,000 Americans" involved

in the process, not one delegation represented the churches or a particular church. The churches have the resources, the organization, even the know-how and experience. What they appear to lack is the commitment and the will. The religious community has, in effect, gotten what it deserves with this urban policy. The program has its strengths and it is a step in the right direction, but it might have come out with a prophetic statement about justice for the poor had church leadership been committed to such a goal.

### *Looking at the Policy*

The policy itself, as contained in the president's message to Congress, is divided into four major parts: a statement of basic objectives and principles; a listing of the administration's prior actions directed toward helping cities; examples of some of the 160 administrative changes in existing programs aimed at making them more beneficial to urban areas; and a description of new program initiatives.

It is important to our thinking about the role the churches can play in the future of this urban policy to be clear as to what the administration means by a national urban policy. Seven objectives or goals are set forth: (1) to improve the effectiveness of existing federal programs; (2) to create additional employment opportunities for the long-term urban unemployed and disadvantaged; (3) to provide fiscal relief for the most hard-pressed communities; (4) to attract private investment to distressed areas through a variety of incentives; (5) to encourage greater involvement by states, neighborhood groups and voluntary associations; (6) to provide additional social and health services for the disadvantaged; and (7) to make cities more "livable" through physical improvement and cultural programs.

To implement these objectives the administration proposes a number of new programs with a total bill for fiscal year 1979 of \$8.3 billion (\$4.4 billion in budget authority, \$1.7 in new tax incentives, and \$2.2 in guaranteed loan authority). In terms of money, the national development bank is the most significant proposal, with an authorization to guarantee through fiscal year '79 a total of \$2.2 billion in loans to businesses seeking to locate or expand in economically distressed areas. Although just who should run the bank has been a bone of contention, its creation rests in part on the view that a major problem for firms locating in cities is the lack of available capital. This assumption has been questioned by a number of economists and urbanologists who cite the general difficulty of doing business in the city — crime, lack of space, transportation problems — as principal deterrents.

Another sizable proposal is an employment tax-credit program aimed at disadvantaged youth between the ages of 18 and 24. Its price tag, in terms of reduced revenues, is \$1.5 billion, and to the extent





that it makes a dent in the 40 per cent unemployment rate of inner-city black youth, it will be well worth the money. Also in the area of tax incentives is a \$200-million program to raise the investment tax credit from 10 to 15 per cent for firms in economically distressed areas. Here the questions which come to mind are similar to those concerning the national development bank. Will an additional 5 per cent really make much difference to a company that has a choice between a suburban industrial park and an inner-city street corner? Perhaps even more serious is the question of why a \$200-million limit has been placed on this 15 per cent program when there is no such limit on the present 10 per cent investment tax credit. Does not such an approach merely continue the antiurban bias of federal programs which the new urban policy is supposed to correct?

Under the \$4.4 billion in new budget authority, the largest effort is a \$1-billion, labor-intensive public works program which will enable areas with high unemployment rates to hire workers to repair and maintain public amenities and facilities such as parks, roads and community buildings. In view of the widely held prejudice against public-sector jobs, which have often been labeled as "make-work," it is heartening that the administration has seen fit to propose this program.

#### *Administrative Changes*

The list of programs continues, but the limited funds present us with little cause for optimism. There are, however, certain sections of the urban policy which may have a more beneficial effect for our cities. Definitely of major importance are the 160 administrative changes already made or to be made in existing programs. These changes are intended to render the federal government more sensitive to urban problems and to tilt the entire range of these programs in the direction of cities.

Of particular interest are the administrative changes applying to matters of suburban sprawl, the

location of government facilities, and the increased procurement of government supplies from businesses located in urban areas. Also part of this whole administrative mechanism is the adoption of an urban- and community-impact analysis requirement. Each new piece of major domestic legislation proposed by an agency now must contain a study of its effect on urban areas and be submitted to the White House domestic-policy staff and the OMB for review. This impact analysis is an internal administrative procedure without the force of law; but if it can take on something approaching the significance of the environmental impact statement, it may well be the single most important piece of the new urban policy.

Another part of this administrative machinery is the establishment of an interagency coordinating council composed of assistant secretaries from the key domestic agencies and headed by Jack Watson of the White House staff. While it is generally agreed that coordination is necessary, many are disappointed that this council is not a cabinet-level group headed by Stuart Eizenstat. It remains to be seen how concerned the administration is to ensure the success of these aspects of the urban policy; to no small extent the level of seriousness will depend on how much pressure is applied by groups interested in the welfare of the city. Here is a vital role for the churches to play.

The other major dimension of the urban policy which gives cause for optimism is that of the "new partnership." Although this idea may not be as new as some would have us think, there can be no doubt that a cooperative approach among federal, state and local governments, the private sector, and neighborhood and voluntary groups is necessary for the revitalization of the cities. The specific programs and processes directed toward each of the partners may not be adequate to the task, but at least a foundation has been laid on which to build.

#### *Conventional Wisdom*

Some good things, then, can come from the administration's urban efforts if there is real follow-through on the proposals, and it is at this point that the churches need to take a good hard look at their urban ministries. Such a scrutiny might well begin with a consideration of the theological category of steadfastness. Two texts come to mind.

And it came to pass, when the time was come that he should be received up, he steadfastly set his face to go to Jerusalem [Luke 9:51].

And:

Therefore, my beloved brethren, be steadfast, immovable, always abounding in the work of the Lord, knowing that in the Lord your labor is not in vain [I Cor. 15:58].

Obviously, neither the churches nor the country



as a whole has been steadfast in dealing with the problems of the cities. In this connection, there is a pitfall in the administration's approach to urban policy against which we must be on guard. For though Jimmy Carter concluded his urban message to Congress by observing that "problems which have accumulated gradually over generations cannot be solved in a year or even in the term of a president," he nevertheless put forward his "new partnership" as just the right ingredient which has been missing all these years. While this assertion may be little more than political rhetoric, we are certainly vulnerable to being seduced by it.

In fact, most of the public, including the churches, has already been seduced by the conventional wisdom that our last official attempt to save the cities, the Great Society, was a massive effort aimed at eliminating poverty, and that it failed because it not only was poorly conceived but also was dictated by the federal government. The president says as much in his urban message, and in a recent interview Rosalynn Carter argued "that government can't do it all . . . we've had big, massive programs, and the cities are still in bad shape."

That this interpretation is simply not valid has been argued persuasively by Michael Harrington in *Toward a Democratic Left*:

The experimentation of the Great Society programs in 1964 and 1965 does not prove, as many assume, that the government failed because it tried so much. Rather it illustrates the penny wisdom and pound foolishness of getting everyone excited about an imminent utopia and then investing funds that, by official definition, are not enough for modest reform.

If Harrington's ideological position makes him suspect in some circles, then we can listen to a respected member of the present administration, Henry Aaron, former senior fellow at the Brookings Institution and now assistant secretary for planning and evaluation at HEW. Aaron gives a brief history of the mid-'60s in his recently published *Politics and the Professors: The Great Society in Perspective*:

The period from 1964 to 1968, which saw a series of attempts at social reform followed by retrenchment, is unique in American political history. A deluge of

legislation dealing with education, training, health care, housing, and numerous other areas affecting incomes and welfare issued forth from Congress. Then the flow ceased, and some of the programs enacted during that period were repealed, scaled down, or delegated to state and local governments with few restrictions to ensure that their original purposes were carried out.

Aaron suggests three reasons, none having to do with the strengths or defects of the Great Society itself, for the decline of this unique attempt at social reform: (1) a loss of faith, brought on by Vietnam and the Nixon-Agnew axis, in the ability of government to deal with problems; (2) the formal victory of the civil rights movement and the resulting lack of clarity about what to do next; and (3) the collapse of the intellectual consensus regarding the nature of and solution to the social and economic ills in our society.

### *A Lack of Steadfastness*

To sum up the views of Harrington and Aaron concisely, both writers point to a lack of steadfastness. The churches were part of that coalition which believed that government could and should deal with problems of poverty and the cities; they could rightly claim some credit for the civil rights successes; and they contributed to that consensus surrounding the early days of the Great Society. But the churches were not steadfast. It is ludicrous to talk as though this nation committed itself to huge expenditures of funds and learned with great regret that the money just wouldn't do the job.

For example, the Model Cities program is often referred to as one such massive effort. I have suggested that the budget authority of \$4.4 billion in Carter's urban policy is insignificant. Yet the Model Cities program, from the beginnings of its operations in 1967 until the present (since there is still a bit of leftover money being spent by cities), involved a total expenditure of less than \$2.5 billion—and it encompassed 150 cities. By mid-1971, when the Nixon administration was calling the program a failure and had coined the phrase "benign neglect," less than \$500 million had been spent by cities. No wonder the Great Society failed. It had, at most, three or four good years. The miracle is that any progress was made at all.

This time around, we must do better. We must accept the fact that there is no substitute for a sustained commitment to an allocation of funds adequate to the task at hand. In short, what the future holds in the way of effective and just national urban policy depends on the steadfastness of those who "seek the welfare of the city." For the churches the question is simply put: Are we willing steadfastly to set our face to the Jerusalems of our own day, knowing that in the Lord our labor is not in vain?

## **Guilt**

★ THAT migraine morning my  
Honest mirror remained so  
Until I fractured that other face  
Into a Cubist puzzle of crossing planes,  
My own raw life draining  
From the ragged gashes.

HUBERT N. WHITTEN.